

United States Department of the Interior

BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT WASHINGTON, DC 20240-0001

August 26, 2016

Lisa Salley
Vice President
Global Industry Services
American Petroleum Institute
1220 L Street, NW
Washington DC 20005

Dear Ms. Salley:

This letter is intended to follow up on previous discussions involving BSEE's "QC-FIT Evaluation of Seal Assembly and Cement Failures Interim Summary of Findings".

This report was issued following a loss of well control on MC-295 that resulted in an underground blowout. This report contained recommendations in the following areas:

- Industry standards related to liner hangers and seals,
- Equipment design and qualification,
- Cementing and casing design, and
- Dual barrier system pressure testing and evaluation.

BSEE discussed this report and the recommendations at the June 2015 API Standards Conference. Although there have been revisions to several relevant standards and discussions concerning a joint research project, we believe that several of the key issues arising out of the report have not been resolved.

We request that API review the recommendations arising out of the report and collaborate with BSEE in developing a plan to comprehensively address the remaining issues, especially the use of elastomeric seals as primary barriers. You can find a full copy of the report at www.bsee.gov.

Sincerely.

Douglas Morris

Chief, Office of Offshore Regulatory Programs